

Generation 8 Blade Servers  
TAC-13-08930

JUSTIFICATION AND APPROVAL  
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition Operations  
Technology Acquisition Center  
260 Industrial Way West  
Eatontown, NJ 07724
2. Description of Action: This proposed action is for a Firm-Fixed-Price Delivery Order issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government Wide Acquisition Contract (GWAC), for 10 brand name Hewlett Packard BL460 Generation 8 (Gen8) blade servers in support of VA Cooperative Studies Program Clinical Research Pharmacy Coordinating Center (CRPCC).
3. Description of the Supplies or Services: The CRPCC requires a total of 10 additional Hewlett Packard BL460 Gen8 blade servers that match existing equipment in use at the CRPCC, each configured to boot from the Storage Area Network. The Contractor shall provide a turn-key solution to CRPCC to include all equipment, cabling, software licenses, and physical installation into an existing c7000 Blade enclosure with fully redundant power. In addition to the hardware, the Contractor shall provide VMware licenses for vSphere and vCenter, all physical installation of hardware, and license installation. Services also include one year of maintenance and technical support for all hardware and software. The total estimated price of this proposed action is
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized".
5. Rationale Supporting Use of Authority Cited Above: This is a brand name justification in support of FAR 11.105, Items Peculiar to One Manufacturer. CRPCC currently uses HP c7000 Blade center enclosures with HP BL460 Gen8 blade servers. Each HP c 7000 chassis has 16 slots to mount blade servers and there are currently 10 available slots in the existing blade center in use. These 10 slots will only support identically configured blades to those already in use, and will not be compatible with older or newer technologies or other brand blade servers. The only solution would be a total replacement of the blade center and purchase of six current blade servers, in addition to the 10 blade servers to be procured under this action. It is estimated that this replacement would exceed \$250,000 for a new enclosure and blade servers comparable to what is already in use at the CRPCC. Not only is this not cost effective, which is further elaborated upon in the Market Research section of this document, but a total replacement of the current blade center and blade servers could result in a failure to connect to HP EVA 4400 SAN systems where the data files are located, rendering

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the entire blade center and servers unuseable. Additionally, only the HP solution will allow existing infrastructure to fully utilize disaster recovery features and perform failover and hot-swap support for the existing systems and solution in place to support clinical trials. Further, the VMWare software being requested is a proprietary version of VMWare ESXi server boot image that is customized specifically for the HP hardware being purchased and already in use. VMWare does not sell the requested software licenses through any reseller other than HP authorized partners. The VMware licenses are required as part of the total server solution.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Governments' requirements. It was determined however that limited competition is viable among authorized resellers for this brand name item. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsisized at award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.

8. Market Research: The CRPCC's technical experts conducted market research to identify whether an entire replacement of all blade servers and blade center chassis would be a viable option. Other brands considered were International Business Machine Corporation model HS22 blades, Dell Inc. PowerEdge blades, and Cisco Inc. Blades. Due to compatibility issues described above, all other brand name products will require a substantial investment to replace an existing blade server chassis to bring the infrastructure up to the minimum level of failover and redundancy. The purchase of a new enclosure would cost an estimated \$250,000 in addition to the cost of the blades and associated virtual machine software, which will not be necessary if HP Bl460 Gen8 blades are acquired.

Additional market research was conducted utilizing the NASA SEWP IV GWAC Manufacturer Lookup tool. It was determined that HP products are currently available on the NASA SEWP IV GWAC through 36 value added resellers in Groups A, B, C, and D. Therefore competition among resellers is anticipated.

9. Other Facts: Not applicable.